

KENTUCKY REAL ESTATE APPRAISERS BOARD

TYPE OF MEETING

Regular Meeting

DATE AND LOCATION

September 26, 2008 – Board Office

PRESIDING OFFICER

J.W. Grabeel, Chair

ROLL CALL

Present:

J.W. Grabeel, Chair
Loren C. Huff, Vice Chair
Dorsey Hall, Board Member
Theresa Marshall, Board Member
Paul Moore, Board Member

Present Also:

Larry Disney, Executive Director
Angie Thomas, Staff Assistant
James Grawe, Board Counsel
Dennis Badger, Investigator

Chair, J.W. Grabeel opened the meeting by welcoming the guest. Guests in attendance were Tom Veit, Andy Peak and Pete Gross.

Motion by Paul Moore, second by Dorsey Hall and the Board unanimously approved the August 22, 2008 minutes.

EDUCATION

Motion by Dorsey Hall, second by Theresa Marshall and the Board unanimously agreed to approve the following education courses for fiscal year 2008-09:

- (1) Appraisal Institute - One qualifying education and one continuing education course:
 - (a) Valuation of Green Residential Properties – 7 hours CE
 - (b) General Appraiser Market Analysis and Highest & Best Use – 30 hours QE and 28 hours CE - REVISION

EXPERIENCE

Motion by Theresa Marshall, second by Paul Moore and the Board unanimously agreed to accept the following:

- (1) John Anderson – Approve experience for Certified Residential
- (2) Ken Carroll – Approve experience for Certified Residential
- (3) Jason Johnson – Approve experience for Certified Residential
- (4) Michelle Mullins – Approve experience for Certified General
- (5) William R. Sanderfer – Approve experience for Certified General

Motion by Dorsey Hall, second by Paul Moore and the Board unanimously agreed to reject the following:

- (1) Paul Houle – Reject experience for Certified Residential. He must submit one additional residential appraisal for experience review.
- (2) Pamela Spencer – Reject experience for Certified Residential. She must submit one additional residential appraisal for experience review.

CERTIFICATION/LICENSURE

Motion by Paul Moore, second by Theresa Marshall and the Board voted to approve a total of eleven (11) individuals for certification/licensure.

- (1) John Anderson – Certified Residential
- (2) William W. Branch – Certified General – Approved based on certification held in the State of Colorado
- (3) Ken Carroll – Approve for Certified Residential
- (4) Nathaniel Scott Cornelius – Associate
- (5) Colby W. Davis - Associate
- (6) Victoria L. Dunn – Certified Residential – Reciprocal with Ohio
- (7) Daniel B. Humphrey – Certified Residential – Reciprocal with Indiana
- (8) Afo J. Jacobs - Associate
- (9) Jason Johnson – Certified Residential
- (10) William R. Sanderfer – Certified General
- (11) Joe E. VonKaenel – Certified Residential – Reciprocal with Illinois

A. Michelle Mullins – Applicant upgrading to Certified General with prior conviction. – The Board request that Ms. Mullins submit an explanation of the event and the Board will review at the October Board Meeting.

COMPLAINT

A. Dennis Badger – Report on the contractor activities

B. The Board was advised there have been a total of 76 cases filed for 2008.

Larry Disney advised the Board that all cases older than one year must be completed prior to the Appraisal Subcommittee review in 2009.

C. Agreed Orders:

(1) Case No. 07-33 – Grievant: KREAB

Respondent: Gabriel A. Balasquide

Motion by Dorsey Hall, second by Paul Moore and the Board unanimously agreed to accept the following agreed order:

- (a) By the execution and acceptance of this Agreed Order, **Balasquide** hereby agrees that his certificate is hereby SURRENDERED as if REVOKED. **Balasquide** further agrees that he shall not seek or otherwise be eligible for reinstatement or certification for a period of three years from the date of this AGREED ORDER. If **Balasquide** seeks to reinstate his certificate that at the end of the three year period, the provisions of KRS 324A.050(2) shall apply to the petition for reinstatement. This action shall constitute disciplinary action against **Balasquide**.

(2) Case No. 08-20 – Grievant: KREAB

Respondent: Charles E. Mosley

Motion by Paul Moore, second by Loren Huff and the Board unanimously agreed to accept the following agreed order:

- (a) By the execution and acceptance of this Agreed Order, **Mosley** hereby agrees that his certificate is hereby SURRENDERED as if REVOKED. **Mosley** further agrees that he shall not seek or otherwise be eligible for reinstatement or certification for a period of three years from the date of this AGREED ORDER. If **Mosley** seeks to reinstate his certificate that at the end of the three year period, the provisions of KRS 324A.050(2) shall apply to the petition for reinstatement. This action shall constitute disciplinary action against **Mosley**.

(3) Case No. 06-48 – Grievant: KREAB

Respondent: Herman Natwick

Motion by Paul Moore, second by Loren Huff and the Board unanimously agreed to accept the following agreed order:

- (a) By the execution and acceptance of this Agreed Order, **Natwick** hereby agrees to voluntary SURRENDER his certificate. **Natwick** further agrees that he shall not seek or otherwise be eligible for reinstatement or certification for a period of three years from the date of this AGREED ORDER. If **Natwick** seeks to reinstate his certificate that at the end of the three year period, the provisions of KRS 324A.050(2) shall apply to the petition for reinstatement. This action shall constitute disciplinary action against **Natwick**.

(4) Case No. 07-54 – Grievant: KREAB

Respondent: James T. Shewmaker

Motion by Dorsey Hall, second by Theresa Marshall and the Board unanimously agreed to accept the following agreed order:

- (a) **Shewmaker** shall be fined the sum of \$2,000.00 with total amount due with the signed agreed order.
- (b) **Shewmaker** shall obtain no Associate appraisers for a period of three (3) years from the date of the agreed order.
- (c) **Shewmaker** agrees that the Board shall have the right to review files for a period of two years from the date of the agreed order.

D. Motion by Paul Moore, second by Theresa Marshall and the Board approved, effective September 26, 2008 all agreed orders with respondents' agreement to surrender their license shall include a fine of no less than \$2,000 that shall be paid prior to the respondent being reinstated.

E. New Cases

(1) Case No. 07-43

Grievant: Richard A. Pearson

Respondents: Stephen A. Friderich and Ann Pipes

Motion by Paul Moore, second by Loren Huff and the Board unanimously agreed to file a formal complaint and set for a hearing.

(2) Case No. 07-46

Grievant: Scott Braugh, Countrywide Home Loans, Inc.

Respondent: Michael L. Janes

Motion by Dorsey Hall, second by Paul Moore and the Board unanimously agreed to dismiss the case.

(3) Case No. 07-62

Grievant: KREAB

Respondent: Mark Mitchell

Motion by Dorsey Hall, second by Paul Moore and the Board unanimously agreed to file a formal complaint and set for a hearing.

(4) Case No. 07-73

Grievant: KREAB

Respondent: J. Robert Ford

Motion by Paul Moore, second by Dorsey Hall and the Board unanimously agreed to file a formal complaint and set for a hearing.

(5) Case No. 07-74

Grievant: KREAB

Respondent: Richard Beckley

Motion by Dorsey Hall, second by Paul Moore and the Board unanimously agreed to file a formal complaint and set for a hearing.

- (6) Case No. 08-01
Grievant: KREAB
Respondent: Angela Royalty
Motion by Loren Huff, second by Theresa Marshall and the Board unanimously agreed to file a formal complaint and set for a hearing.
- (7) Case No. 08-02
Grievant: KREAB
Respondent: Angela Royalty
Motion by Loren Huff, second by Theresa Marshall and the Board unanimously agreed to file a formal complaint and set for a hearing.
- (8) Case No. 08-03
Grievant: KREAB
Respondent: Angela Royalty
Motion by Loren Huff, second by Theresa Marshall and the Board unanimously agreed to file a formal complaint and set for a hearing.
- (9) Case No. 08-05
Grievant: KREAB
Respondent: Angela Royalty
Motion by Loren Huff, second by Theresa Marshall and the Board unanimously agreed to file a formal complaint and set for a hearing.
- (10) Case No. 08-06
Grievant: KREAB
Respondent: Angela Royalty
Motion by Loren Huff, second by Theresa Marshall and the Board unanimously agreed to file a formal complaint and set for a hearing.

E. Final Order Violations:

- (1) Shelby Kindred – 05-37
 - (a) Request for education enclosed
 - (b) Request to take the 7 hour Business Practices and Ethics course in place of the 7 hours from the Real Estate Lending Academy. – Motion by Dorsey Hall, second by Theresa Marshall and the Board denied the request and Mr. Kindred must complete the course as identified in the Final Order.
- (2) James DeRossett – 05-83 - Did not renew 6-30-08
 - (a) Did not pay fine of \$350.00 by 9-18-08 - License is hereby suspended.
- (3) Wendy Graves – 06-02 and 06-03
 - (a) Did not pay fine of \$500.00 by 9-18-08 to keep license in an inactive status. License is hereby suspended.
- (4) Stan Chase – 05-76
 - (a) Did not pay fine of \$500.00 by 9-18-08 - License is hereby suspended.

- F. Case No. 07-09 – Quinton Durham – Larry stated that he is unable to obtain records requested.
- G. Motion by Dorsey Hall, second by Theresa Marshall and the Board unanimously agreed that any case that the respondent did not answer, Larry Disney would send a notice to the Respondent and advise if the answer is not received within 30 days that it would result in a revocation of their license.
- H. The board discussed digital signatures. The Board advised Larry to check with other state appraisals Board to see if they have a law concerning digital signatures.
- I. Motion by Dorsey Hall, second by Paul Moore and the Board unanimously agreed to set Mark McDonald for a hearing.

MISCELLANEOUS

- A. ASC Policy Statement 10G: Validation of Experience Documentation for AQB Criteria Conformance and USPAP Compliance – Motion by Dorsey Hall, second by Paul Moore and the Board unanimously agreed to request sample appraisal reports of 1-4 unit residential properties to be presented by applicants for the Certified General credential.
- B. KREAB Budget – The Board agreed for the staff to contact Carla Tabeling concerning an allotment increase.
- C. The Appraisal Foundation - Exposure Draft of an Interpretation and a Guide Note applying to the Real Property Appraiser Qualification Criteria
- D. ASB Policy Statements
- E. 2009 Seminar Dates – Motion by Dorsey Hall, second by Paul Moore and the Board unanimously accepted the 2009 seminar dates.
- F. 2009 Board Meeting Dates
- G. Legal Service Personal Service Contract – Three Bids received
 - (1) Marc Weinberg
 - (2) Aubrey Mooney
 - (3) Marvin Lee Wilson

Motion by Dorsey Hall, second by Paul Moore and the Board unanimously approved all the bids based upon each vendor's expertise. Each vendor will be used on an as needed basis. Mr. James Grawe advised the Board that the Attorney General's office has four attorneys available to the Board.
- H. Motion by Dorsey Hall, second by Paul Moore and the Board agreed to begin the request for a back-up contract investigator.
- J. The Board agreed beginning at the October 2008 Board meeting all material submitted for Board meeting review will be submitted digitally on a CD Rom or DVD.
- K. The Board also agreed that the staff will begin digitizing all files in the office.
- L. Motion by Dorsey Hall, second by Paul Moore and the Board authorized Dennis Badger to have a blanket request approval for out of state travel (AARO, AQB, etc.) to be reimbursed per his personal service contract not to exceed the \$3,000.00 limit.
- M. The Board was advised that The Appraisal Foundation is offering an investigator training course. AARO will also be offering the course per individual state. Larry was directed to obtain information on this course.

7. New Business

- A. October Board Meeting – Friday, October 24, 2008 – 9:00 a.m.
- B. October 22nd Board Hearing – David Harrington & Ramona Harrington
- C. October 28th Board Hearing – John Tackett – Mr. Disney will contact Mr. Tackett and request a possible settlement.
- D. November Board Meeting – The November Board meeting will be changed from Friday, November 21st to Thursday, November 20th.
- E. Motion by Dorsey Hall, second by Paul Moore and the Board agreed to have the February Board meeting on Thursday, February 26, 2009 at the Holiday Inn Hurstbourne, in Louisville, KY.

The next Board meeting is scheduled for Friday, October 24 at 9:00 a.m. at the Board office.

Motion by Dorsey Hall second by Paul Moore and the Board voted unanimously to adjourn the meeting.


Chair


Staff Assistant